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IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PENNSYLVANIA

THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS OF ALLEGHENY HEALTH, EDUCATION & RESEARCH FOUNDATION, Plaintiff,

vs.
PRICEWATERHOUSECOOPERS,
LLP,

Civil Action No. 00-684

Defendant.

Continued Videotaped Deposition of MARK D. KIRSTEIN, called for examination under the Applicable Rules of Federal Civil Procedure, taken before me, Michele E. Eddy, a Registered Professional Reporter and Notary Public in and for the State of Ohio, pursuant to notice and stipulations of counsel, at the offices of Jones Day, 222 East 41st Street, Suite 400, New York, New York, on Thursday, the 13th day of May, 2004, at 8:30 a.m.

VOLUME III

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Piaix	NISCEIT		
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1	substantive review role for all areas at the	1	consolidated audit?
	managerial level or manager level for fiscal	2	A. You mean in '97 AHERF would have
	year 1997?	3	one audit for all of AHERF? Yes.
4	MR. RYAN: Objection to form.	4	Q. In connection with that, do you
5	A. From a manager's perspective, she 08:55:32	5	recall issues arising with respect to the 08:58:21
6	would be the person that would do that, yes.	6	debt-holders for the various obligated groups?
7	Q. I think you've told us you don't	7	A. What sort of issues?
8	remember AHERF moving to a new bad debt	8	Q. Issues about whether a consolidated
9	reserving methodology for fiscal year 1997, so	9	audit at AHERF complied with the terms of the
10	I think I can anticipate the answer to this 08:55:51	10	debt instruments at the various obligated 08:58:40
11	question, but forgive me. Did you ever learn	11	groups.
12	that anyone at AHERF was involved in the	12	A. What I recall is management
13	process of developing a new methodology for	13	asked management engaged in dialogue with us
14	fiscal year 1997, anyone internal or employed	14	in the planning process in the for fiscal
15	by AHERF, internal to or employed by AHERF? 08:56:06	15	'97 about doing a consolidated audit. 08:58:57
16	A. I don't recall hearing that.	16	Coming off of '96 where we had just
17	Q. Do you recall learning that either	17	done the DVOG audit, and I think there was an
18	Mr. Cancelmi or those at the patient financial	18	AGH obligated group audit, what I recall is
19	services group were involved in such an	19	that Coopers & Lybrand, we had said to
20	endeavor? 08:56:19	20	management, we can do whatever audit you want 08:59:10
21	A. No, sir.	21	us to do, you can engage us for the scope, but
22	Q. Do you have a view as you sit here	22	you need you, AHERF, need to consult with
23	today about who would have been better suited	23	your debt-holders and your legal counsel
24	to prepare a new or a methodology for fiscal	24	eventually to ensure that whatever audit report
25	year 1997 between Mr. Cancelmi and those in 08:56:32	25	we issue will be sufficient for your debt 08:59:26
-	D FOF		Page 587
١.	Page 585 his on his staff or those at the patient	1	purposes.
1 1		2	Q. Do you recall with whom at AHERF
2	financial services group? MR. RYAN: Objection. Vague. Lack	3	you may have had any such discussions?
3	of foundation.	4	A. It's the same general group I've
5	A. What do you mean by better suited? 08:56:42	5	given you the last two days. I mean, finance 08:59:40
6	Q. I would just ask you if you had a	6	folks. I don't remember specific discussion.
7	view.	7	But planning for '97 was pretty much with Dan
8	A. I put everyone you talked about	8	Cancelmi, Steve Spargo, Al Adamczak.
9	AHERF people. It's AHERF's financial	9	Q. Do you recall that Mr. Spargo left
10	statements and AHERF's system of internal 08:56:51	10	the organization sometime in 1997? 09:00:05
111	controls. I don't know who's better suited. I	11	A. Yes, sometime early during the
12	don't know what you mean by that. But if they	12	planning stage. I don't remember the exact
13	were developing a new process, I would assume	13	date.
14		14	
15	discussions and consultation they felt 08:57:03	15	
16	and the second s	16	A. I believe Al Adamczak, but I don't
17		17	know if that was a one-for-one assumption of
18	and the second of the second	18	responsibilities. I don't know everything that
19	· • • • • • • • • • • • • • • • • • • •	19	
20		20	Q. The reason I raise it, when Mr. 09:00:28
21		2:	Spargo left, you didn't start communicating
22		22	
23	The state of the s	2:	
24		24	
25		2	5 A. Yes. 09:00:39
1 25	fiscal year 1997, AHERF was moving to a 08:58:02	2	A. Yes. 03.00.33

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ĺ	Page 588	-		Page 590
1	Q. There wasn't a replacement for Mr.	1	 Q. Yes, it is an AHERF audit update, 	
2	Spargo, whose name we haven't mentioned?	2	August 15, 1997, is that right?	
3	A. No, not that I'm aware of.	3	A. Yes.	
4	O. Mr. Kirstein, I'm going to hand you	4	Q. Does it contain your handwriting?	
	a rather large exhibit and ask you not to be 09:00:51	5	A. Yes, it does. 09:02:40	
5	afraid. It is an exhibit you've seen before in	6	Q. I'm going to refer you in	
6	the SEC proceeding and I think we're going to	7	particular well, take a moment to read the	
7		8	document and your notes.	
8	leave it just like it was there because the	9	A. Great, thanks.	
9	copy is superior to our copies of some of the		Okay. 09:04:01	
10	documents, and we will mp back and refer in	10	olay.	
11	If from time to time, but we are going to have	11	-	
12	to look at the whole thing.	12	hand?	
13	A. Okay.	13	A. I believe so, yes.	
14	Q. It is I'm going to need to mark	14	Q. I'm going to refer you to the point	
15	that. I apologize. 09:01:12	15	With the black diameter than	09:04:09
16	It is Exhibit 377 in the SEC	16	about a quarter of the way down the page headed	
17	proceeding, I believe, and we would like to	17	debt.	
18	mark it in this case as exhibit next.	18	A. Okay.	
	MR. TORBORG: Spelled N E X T.	19	Q. And beneath that, the first	
19		20		9:04:19
20	Q. And that number is 4403. 09:01:33	21	bondholders regarding financial statements,"	
21	CT Descrition Exhibit 4402	22	and then beneath that, "Need for individual	
22	(Thereupon, Deposition Exhibit 4403	23	compliance letters" with three question marks.	
23	was marked for purposes of	24	Do you see that?	
24	identification.)		A. Yes. 09:04:32	
25	09:01:39	25	A. 165.	
	Page 589			Page 591
١.	-	1	O. What is the handwritten note that	
1	Q. I will direct your attention	2	appears to have a line drawn to one or both of	
2	obviously to a relative few pages in this	3	those subpoints? How does that read?	
3	document from time to time this afternoon		A. It's only drawn to the looks	
4	this morning.	4	•	:04:43
5	A. Okay. 09:01:53	5		.0 1. 15
6	Q. The first one today as you may	6	title, Need for Individual Compliance Letters.	
7	recall, it is a combination of a number of	7	It says C&L to draft, and then, in parentheses,	
8	documents, and I know not whether they are	8	Christa, Brian to research.	
9	supposed to be related, but it was used in that	9	Q. Having had a chance to read the	. ==
10		10		4:55
11		11	prepared this audit update?	
1 11		12	A. The actual typed part?	
	I'm going to ask you to look at	1		
12	I'm going to ask you to look at	13	Q. Yes.	
12 13	page 28 now, which I think is a distinct		A. I don't recall.	
12 13 14	page 28 now, which I think is a distinct document within it. It's a single-page	13 14	A. I don't recall.	02
12 13 14 15	page 28 now, which I think is a distinct document within it. It's a single-page document. 09:02:19	13 14 15	A. I don't recall. Q. Do you recall reviewing it before 09:05:	02
12 13 14 15 16	page 28 now, which I think is a distinct document within it. It's a single-page document. 09:02:19 A. Where is the page number, bottom in	13 14 15 16	A. I don't recall. Q. Do you recall reviewing it before 09:05: today?	02
12 13 14 15 16 17	page 28 now, which I think is a distinct document within it. It's a single-page document. 09:02:19 A. Where is the page number, bottom in the lower right?	13 14 15 16 17	 A. I don't recall. Q. Do you recall reviewing it before 09:05: today? A. Sometime during preparation. 	02
12 13 14 15 16 17 18	page 28 now, which I think is a distinct document within it. It's a single-page document. 09:02:19 A. Where is the page number, bottom in the lower right? Q. They are in the lower right-hand	13 14 15 16 17 18	 A. I don't recall. Q. Do you recall reviewing it before 09:05: today? A. Sometime during preparation. Q. Do you recall, as you sit here 	02
12 13 14 15 16 17	page 28 now, which I think is a distinct document within it. It's a single-page document. 09:02:19 A. Where is the page number, bottom in the lower right? Q. They are in the lower right-hand corner, yes.	13 14 15 16 17 18 19	 A. I don't recall. Q. Do you recall reviewing it before 09:05: today? A. Sometime during preparation. Q. Do you recall, as you sit here today, what the handwritten note means to you, 	
12 13 14 15 16 17 18	page 28 now, which I think is a distinct document within it. It's a single-page document. 09:02:19 A. Where is the page number, bottom in the lower right? Q. They are in the lower right-hand corner, yes. They start with the prefix PwCK2 in 09:02:23	13 14 15 16 17 18 19 20	A. I don't recall. Q. Do you recall reviewing it before 09:05: today? A. Sometime during preparation. Q. Do you recall, as you sit here today, what the handwritten note means to you, or do you know what the handwritten note means?	
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8 (Pages 588 to 591)

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	Page 592		Page 594
1	looks like it's just a note that says Christa	1	A. Not that I recall.
	Porter and Brian Christian were to research	2	Q. Do you recall
	something related to debt compliance letters.	3	A. And I assume in your last question
	Something related to debt compliance letters.	4	you is Mark Kirstein?
4	Q. Do you recall that there was an	5	O. Yes, I meant you personally. 09:07:41
	effort on Cooper & Lybrand's part to assist its 09:05:34		Q. 100/2 means /
6	client in evaluating whether the consolidated	6	
7	financial statements, audited financial	7	Q. Do you recall becoming aware of an
8	statements that were proposed for the fiscal	8	effort on the part of AHERF to secure written
9	year 1997 would comply with the various debt	9	representation from the various bondholders to
10	agreements of the various obligated groups? 09:05:51	10	the effect that the consolidated financial 09:08:05
11	THE WITNESS: Could you read that	11	statements that were proposed would comply with
12	again, please?	12	the terms of their debt agreements?
13	(Record read.)	13	MR. RYAN: Would you read that
14	A. I don't recall that.	14	again, please?
15	All I recall is what I said 09:06:19	15	(Record read.) 09:08:07
16	earlier, that C&L had told AHERF management	16	THE WITNESS: One more time,
17	that they need to consult with their legal	17	please? I'm sorry.
18	counsel and other appropriate parties for them	18	(Record read.)
1	to ensure that what we would audit and provide	19	A. I don't recall becoming aware of
19	to them would be sufficient for their debt 09:06:31	20	that, but I also believe that Amy Frazier and 09:08:56
20	to them would be sufficient to: them asset	21	Bill Buettner addressed matters with management
21	purposes.	22	related to debt covenants and required
22	Q. Did you ever learn that Mr that		communications that might be necessary with
23	Brian or Christa, Mr. Christian or Miss Porter	23	AHERF and their legal counsel. I think that
24	ever did any research?	24	
25	MR. RYAN: Objection. I think 09:06:41	25	was Foley & Lardner. 09:09:12
-			Page 595
1	Page 593	١.	
1	that's a misleading way of asking the question	1	Q. Regarding debt compliance matters
2	because the topic that they are supposed to		
	because the topic that they are supposed as	2	in connection with the audited financial
3	research is a completely different topic the	3	statements?
3 4	research is a completely different topic the witness has indicated from the topic of the	3 4	statements? A. Yes, it's my understanding, not
1	research is a completely different topic the witness has indicated from the topic of the previous sentence. So I'll object. 09:06:54	3 4 5	statements? A. Yes, it's my understanding, not recollection, understanding some of that may be 09:09:20
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4 5 6	research is a completely different topic the witness has indicated from the topic of the previous sentence. So I'll object. 09:06:54 Q. Do you recall whether they did the	3 4 5	statements? A. Yes, it's my understanding, not recollection, understanding some of that may be from prep. But I do recall Bill and Amy dealt with the debt covenant pieces as the audit
4 5 6 7	research is a completely different topic the witness has indicated from the topic of the previous sentence. So I'll object. 09:06:54 Q. Do you recall whether they did the research?	3 4 5 6	statements? A. Yes, it's my understanding, not recollection, understanding some of that may be from prep. But I do recall Bill and Amy dealt with the debt covenant pieces as the audit wrapped up, I recall that.
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4 5 6 7 8 9 10 11 12 13 14 15 16	research is a completely different topic the witness has indicated from the topic of the previous sentence. So I'll object. 09:06:54 Q. Do you recall whether they did the research? MR. RYAN: Objection. What research? MR. JONES: Referred to in his 09:07:02 note. A. I said I don't recall what research that would be, so I just don't know. Q. You recall seeing no results of research that had anything to do with debt from 09:07:09 those two individuals, is that fair to say?	3 4 5 6 7 8 9 10 11 12 13 14 15 16	A. Yes, it's my understanding, not recollection, understanding some of that may be 09:09:20 from prep. But I do recall Bill and Amy dealt with the debt covenant pieces as the audit wrapped up, I recall that. Different times during preparation I've seen, you know, Amy and Bill I believe 09:09:32 worked with AHERF management and their counsel Foley & Lardner to determine what was required from a debt compliance perspective. Q. And in preparation you mean either in connection for this deposition or 09:09:48 depositions in the SEC proceeding?
4 5 6 7 8 9 10 11 12 13 14 15 16 17	research is a completely different topic the witness has indicated from the topic of the previous sentence. So I'll object. 09:06:54 Q. Do you recall whether they did the research? MR. RYAN: Objection. What research? MR. JONES: Referred to in his 09:07:02 note. A. I said I don't recall what research that would be, so I just don't know. Q. You recall seeing no results of research that had anything to do with debt from 09:07:09 those two individuals, is that fair to say? A. I don't recall.	3 4 5 6 7 8 9 10 11 12 13 14 15 16 17	statements? A. Yes, it's my understanding, not recollection, understanding some of that may be 09:09:20 from prep. But I do recall Bill and Amy dealt with the debt covenant pieces as the audit wrapped up, I recall that. Different times during preparation I've seen, you know, Amy and Bill I believe 09:09:32 worked with AHERF management and their counsel Foley & Lardner to determine what was required from a debt compliance perspective. Q. And in preparation you mean either in connection for this deposition or 09:09:48 depositions in the SEC proceeding? A. Correct.
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9 (Pages 592 to 595)

	Kirstein		
	Page 628		Page 630
1	A. Yes.	1	year 1997?
2	Q. You have that before you again?	2	A. Yes.
3	A. Yes.	3	Q. The Graduate hospitals included
4	Q. Do you recall reviewing the	4	hospitals with names like the Graduate
	provision I asked you to review, 440.6, on 10:08:35	5	Hospital, Mt. Sinai, Rancocas, City Avenue and 10:11:24
5	page the second page of the exhibit before	6	Parkview, is that consistent with your
		7	recollection?
	today?	8	A. Yes.
8	A. No.	9	Q. The Delaware Valley Obligated Group
9	Q. I'm going to ask you now to look at	10	hospitals to which we referred both today and 10:11:33
LO	page 26 of Exhibit 58, which itself is the 10:08:50		yesterday included hospitals named Hahnemann,
1	consolidated financial statements at AHERF for	11	·
L2	the year-ending June 30, '97.	12	MCPH, EPPI?
13	A. Okay.	13	A. Right.
L 4	Q. What did you understand in	14	Q. St. Chris, Elkins and Bucks?
15	connection with your audit work at AHERF the 10:09:05	15	A. I think that's right. 10:11:45
16	purpose of this report at page 26 to be?	16	Q. For purposes of my questions that
17	A. It's a report that the language	17	follow, I'm going to use those definitions. Is
18	pretty much does a nice job of explaining what	18	that fair to you?
19	it is. It's a report that is on supplemental	19	A. Sure.
20	information. So it's not a required part of 10:09:34	20	Q. When do you when do you first 10:11:56
21	the AHERF consolidated financial statements	21	recall, Mr. Kirstein, learning that AHERF had
22	that is informing whoever would be reading this	22	set up 50 million dollars of reserves in
23	that it is supplemental information and it's	23	connection with purchase price accounting for
	telling them that it's not that the audit	24	the acquisition of the Graduate hospitals and
24	was not designed to audit necessarily the 10:09:46	25	then transferred those reserves to the DVOG 10:12:17
25	was not designed to addit necessarily the	Ľ	
	Page 629		Page 631
1	detailed information in there. But, as it	1	hospitals?
2	says, this is presented for additional	1 ~	MD DVANI. Can I got that road
		2	MR. RYAN: Can I get that read
7	analysis this does not require a required	3	back, please?
3 ⊿	analysis, this does not require a required	i .	back, please? O. Bad debt reserve.
4	analysis, this does not require a required part of the consolidated financial statements.	3 4	back, please? Q. Bad debt reserve.
4 5	analysis, this does not require a required part of the consolidated financial statements. Then it goes on and does give an 10:10:00	3 4 5	back, please? Q. Bad debt reserve. MR. RYAN: Sorry, Jim, I didn't 10:12:25
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24 Q. What does the line across the 24 A. That's right.	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21	Q. Or do you typically not do so? A. I typically do not do that. Q. So if you followed your protocol, this was a meeting or at least a phone call in 10:33:38 which you were a participant at some level? A. Correct. Q. Do you recall whether it was a meeting or a phone call? A. I don't recall. 10:33:45 Q. You typically date your notes on the day the communication took place? A. Yes. Q. Do you have any reason to doubt that this communication took place on April 18, 10:34:00 1997 today? MR. RYAN: Objection. A. Doubt that it took place? Q. Yes. A. I suspect it did take place. 10:34:07 Q. So you don't have a reason to doubt	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21	context of DV. The reason I say that is Delaware Valley is a common term used by the audit team as well as by AHERF management to discuss the eastern region, the Philadelphia 10:35:5 and eventually later New Jersey hospitals. It also happens to be the Delaware Valley Obligated Group. But in most cases in dialogue with management throughout the year as you're planning for the audit, you're really talking 10:36:04 about hospitals. You're not usually talking about financial statements. So I would say it's actually probably more Delaware Valley references entities than it does an obligated group, which tends to happen later on when financial statements are being prepared. Q. So as you sit here today, you know that C/O, C slash O means charge-offs to the best of your ability to read your note? 10:36:31 A. Yes.
1 A 40.20.2	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22	Q. Or do you typically not do so? A. I typically do not do that. Q. So if you followed your protocol, this was a meeting or at least a phone call in 10:33:38 which you were a participant at some level? A. Correct. Q. Do you recall whether it was a meeting or a phone call? A. I don't recall. 10:33:45 Q. You typically date your notes on the day the communication took place? A. Yes. Q. Do you have any reason to doubt that this communication took place on April 18, 10:34:00 1997 today? MR. RYAN: Objection. A. Doubt that it took place? Q. Yes. A. I suspect it did take place. 10:34:07 Q. So you don't have a reason to doubt it, I'm right?	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22	context of DV. The reason I say that is Delaware Valley is a common term used by the audit team as well as by AHERF management to discuss the eastern region, the Philadelphia 10:35:5 and eventually later New Jersey hospitals. It also happens to be the Delaware Valley Obligated Group. But in most cases in dialogue with management throughout the year as you're planning for the audit, you're really talking 10:36:04 about hospitals. You're not usually talking about financial statements. So I would say it's actually probably more Delaware Valley references entities than it does an obligated group, which tends to happen later on when financial statements are being prepared. Q. So as you sit here today, you know that C/O, C slash O means charge-offs to the best of your ability to read your note? 10:36:31 A. Yes. Q. You don't know whether the DV means
25 middle of the page mean to you, if anything, in 10:34:24 25 Q. What does the gross humber of A 10:36:3	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23	Q. Or do you typically not do so? A. I typically do not do that. Q. So if you followed your protocol, this was a meeting or at least a phone call in 10:33:38 which you were a participant at some level? A. Correct. Q. Do you recall whether it was a meeting or a phone call? A. I don't recall. 10:33:45 Q. You typically date your notes on the day the communication took place? A. Yes. Q. Do you have any reason to doubt that this communication took place on April 18, 10:34:00 1997 today? MR. RYAN: Objection. A. Doubt that it took place? Q. Yes. A. I suspect it did take place. 10:34:07 Q. So you don't have a reason to doubt it, I'm right? A. Correct.	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23	context of DV. The reason I say that is Delaware Valley is a common term used by the audit team as well as by AHERF management to discuss the eastern region, the Philadelphia 10:35:5 and eventually later New Jersey hospitals. It also happens to be the Delaware Valley Obligated Group. But in most cases in dialogue with management throughout the year as you're planning for the audit, you're really talking 10:36:04 about hospitals. You're not usually talking about financial statements. So I would say it's actually probably more Delaware Valley references entities than it does an obligated group, which tends to happen later on when financial statements are being prepared. Q. So as you sit here today, you know that C/O, C slash O means charge-offs to the best of your ability to read your note? 10:36:31 A. Yes. Q. You don't know whether the DV means Delaware Valley Obligated Group, is that right?
1	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24	Q. Or do you typically not do so? A. I typically do not do that. Q. So if you followed your protocol, this was a meeting or at least a phone call in 10:33:38 which you were a participant at some level? A. Correct. Q. Do you recall whether it was a meeting or a phone call? A. I don't recall. 10:33:45 Q. You typically date your notes on the day the communication took place? A. Yes. Q. Do you have any reason to doubt that this communication took place on April 18, 10:34:00 1997 today? MR. RYAN: Objection. A. Doubt that it took place? Q. Yes. A. I suspect it did take place. 10:34:07 Q. So you don't have a reason to doubt it, I'm right? A. Correct. Q. What does the line across the	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24	context of DV. The reason I say that is Delaware Valley is a common term used by the audit team as well as by AHERF management to discuss the eastern region, the Philadelphia 10:35:5 and eventually later New Jersey hospitals. It also happens to be the Delaware Valley Obligated Group. But in most cases in dialogue with management throughout the year as you're planning for the audit, you're really talking 10:36:04 about hospitals. You're not usually talking about financial statements. So I would say it's actually probably more Delaware Valley references entities than it does an obligated group, which tends to happen later on when financial statements are being prepared. Q. So as you sit here today, you know that C/O, C slash O means charge-offs to the best of your ability to read your note? 10:36:31 A. Yes. Q. You don't know whether the DV means Delaware Valley Obligated Group, is that right? A. That's right.

	Kirstein		
	Page 652		Page 654
1	slash R outpatient mean?	1	SDN to AHERF." Then there's an indent. Defers
2	A. I don't recall.	2	A/R problem to be deferred.
3	Q. Do you recall knowing at this time	3	Q. Did you understand SDN at the time
	frame, that is, in the spring or April in	4	to be an enterprise that was somehow involved
	the spring of or April of 1997 that AHERF 10:36:52	5	in some intermediate ownership or let's 10:38:56
	accounting had written off a large amount of	6	leave it at intermediate ownership of the
6	accounts on the books of the DVOG entities,	7	Graduate hospitals?
7	· · · · · · · · · · · · · · · · · · ·	8	A. I don't know the legal structure,
8	accounts receivable, that is?	9	but SDN was an entity that I believe the
9	A. Yes. O Do you recall the quantum, roughly? 10:37:06	10	Graduate hospitals were going to sit in until 10:39:09
10	Q. Bo you recan are quarterly reason,	11	AHERF acquired them legally, whatever had to
11	A. I believe and I generally recall 80	12	happen legally.
12	million dollars being a number I heard at	13	Q. Do you recall today what you meant
13	different points in time during planning, that AHERF had charged off some old accounts	14	by saying "defers A slash R problem to be
14	receivable related to the system conversions we 10:37:19	15	deferred"? 10:39:24
15	receivable related to the system conversions we 10.37.13	16	A. No, I don't, sir.
16	talked about yesterday and the day before from PATCOM to Envision. There might have been	17	Q. Do you recall any discussions with
17	another another conversion in there as well.	18	Mr. Cancelmi or Mr. Buettner or Miss Frazier at
18		19	any time about deferring an A/R problem at the
19	Q. I'm going to ask you to read the next line of your notes. 10:37:31	20	Delaware Valley Obligated Group hospitals? 10:39:38
20	TIEXE III E OI YOU III EEEE	21	A. No, I don't recall a discussion. I
21	A. Placing reserves on Graduate	22	don't recall becoming aware of an A/R problem.
22	entities to be used for DVAR at Y slash E,	23	Q. Do you recall any discussions with
23	year-end.	24	anyone at Coopers & Lybrand during your fiscal
24	Q. What does that mean to you today? Or do you recall what you meant to write when 10:37:47	25	year 1997 audit work regarding deferring an A/R 10:39:51
25	Or do you recall what you meant to write when 10:37:47	23	year 1337 addic Work regarding determing any year
-	Page 653		Page 65:
1	you wrote that note?	1	problem at any set of hospitals?
2	A. No, I	2	A. No, I don't recall that being a
3	MR. RYAN: Objection.	3	matter that I discussed that year.
4	A. No, I don't recall this meeting and	4	 Q. Do you recall it being a matter
5	I think, therefore, I don't know what the 10:37:54	5	that you discussed in any year, deferring A/R 10:40:06
6	context was, so I don't know what I was writing	6	problems?
7	there.	7	A. No, I don't recall discussing
8	Q. Do you recall today whether DV	8	deferring problems. We talked in '96 they had
9	meant the Delaware Valley Obligated Group or	9	increases in A/R and other things that could be
9	meant the belavare valley obligation of the	10	A/R problems but I don't know what the defer 10:40:18
10		1 10	A/R problems, but I don't know what the deler 10.10.11
10	some other group of hospitals? 10:38:05	11	Ayre problems, but I don't rate.
11	some other group of hospitals? 10:38:05 A. I can't even tell you it meant a	1	reference is here in these notes.
11 12	some other group of hospitals? 10:38:05 A. I can't even tell you it meant a group of hospitals. It could have meant the	11	reference is here in these notes. Q. Do you ever
11 12 13	some other group of hospitals? 10:38:05 A. I can't even tell you it meant a group of hospitals. It could have meant the entity. It could have meant the region	11 12	reference is here in these notes. Q. Do you ever I'm going to ask you to flip one
11 12 13 14	some other group of hospitals? 10:38:05 A. I can't even tell you it meant a group of hospitals. It could have meant the entity. It could have meant the region Delaware Valley.	11 12 13	reference is here in these notes. Q. Do you ever I'm going to ask you to flip one page back to page 44 of your notes. A. Okay. 10:40:48
11 12 13 14 15	some other group of hospitals? A. I can't even tell you it meant a group of hospitals. It could have meant the entity. It could have meant the region Delaware Valley. Q. What does the next line of your 10:38:17	11 12 13 14	reference is here in these notes. Q. Do you ever I'm going to ask you to flip one page back to page 44 of your notes. A. Okay. 10:40:48
11 12 13 14 15 16	some other group of hospitals? A. I can't even tell you it meant a group of hospitals. It could have meant the entity. It could have meant the region Delaware Valley. Q. What does the next line of your notes say?	11 12 13 14 15	reference is here in these notes. Q. Do you ever I'm going to ask you to flip one page back to page 44 of your notes. A. Okay. Q. At the top of the page you've
11 12 13 14 15 16 17	some other group of hospitals? A. I can't even tell you it meant a group of hospitals. It could have meant the entity. It could have meant the region Delaware Valley. Q. What does the next line of your notes say? A. "Does not believe there is any	11 12 13 14 15 16	reference is here in these notes. Q. Do you ever I'm going to ask you to flip one page back to page 44 of your notes. A. Okay. 10:40:48 Q. At the top of the page you've written the word or the I think the date
11 12 13 14 15 16 17 18	some other group of hospitals? A. I can't even tell you it meant a group of hospitals. It could have meant the entity. It could have meant the region Delaware Valley. Q. What does the next line of your notes say? A. "Does not believe there is any general reserves other than 50 million	11 12 13 14 15 16 17	reference is here in these notes. Q. Do you ever I'm going to ask you to flip one page back to page 44 of your notes. A. Okay. 10:40:48 Q. At the top of the page you've written the word or the I think the date 4-21 and the word conference call or an
11 12 13 14 15 16 17 18 19	some other group of hospitals? A. I can't even tell you it meant a group of hospitals. It could have meant the entity. It could have meant the region Delaware Valley. Q. What does the next line of your notes say? A. "Does not believe there is any general reserves other than 50 million dollars."	11 12 13 14 15 16 17 18	reference is here in these notes. Q. Do you ever I'm going to ask you to flip one page back to page 44 of your notes. A. Okay. 10:40:48 Q. At the top of the page you've written the word or the I think the date 4-21 and the word conference call or an abbreviation for it.
11 12 13 14 15 16 17 18 19 20	some other group of hospitals? A. I can't even tell you it meant a group of hospitals. It could have meant the entity. It could have meant the region Delaware Valley. Q. What does the next line of your notes say? A. "Does not believe there is any general reserves other than 50 million dollars." Q. Do you recall what that means 10:38:25	11 12 13 14 15 16 17 18 19 20	reference is here in these notes. Q. Do you ever I'm going to ask you to flip one page back to page 44 of your notes. A. Okay. 10:40:48 Q. At the top of the page you've written the word or the I think the date 4-21 and the word conference call or an abbreviation for it. Is that right? 10:41:01
11 12 13 14 15 16 17 18 19 20 21	some other group of hospitals? A. I can't even tell you it meant a group of hospitals. It could have meant the entity. It could have meant the region Delaware Valley. Q. What does the next line of your notes say? A. "Does not believe there is any general reserves other than 50 million dollars." Q. Do you recall what that means to 10:38:25 today?	11 12 13 14 15 16 17 18 19 20 21	reference is here in these notes. Q. Do you ever I'm going to ask you to flip one page back to page 44 of your notes. A. Okay. 10:40:48 Q. At the top of the page you've written the word or the I think the date 4-21 and the word conference call or an abbreviation for it. Is that right? 10:41:01 A. Yes.
11 12 13 14 15 16 17 18 19 20 21 22	some other group of hospitals? A. I can't even tell you it meant a group of hospitals. It could have meant the entity. It could have meant the region Delaware Valley. Q. What does the next line of your notes say? A. "Does not believe there is any general reserves other than 50 million dollars." Q. Do you recall what that means total tot	11 12 13 14 15 16 17 18 19 20 21 22	reference is here in these notes. Q. Do you ever I'm going to ask you to flip one page back to page 44 of your notes. A. Okay. Q. At the top of the page you've written the word or the I think the date 4-21 and the word conference call or an abbreviation for it. Is that right? 10:41:01 A. Yes. Q. Do you believe today that these are
11 12 13 14 15 16 17 18 19 20 21 22 23	some other group of hospitals? A. I can't even tell you it meant a group of hospitals. It could have meant the entity. It could have meant the region Delaware Valley. Q. What does the next line of your notes say? A. "Does not believe there is any general reserves other than 50 million dollars." Q. Do you recall what that means 10:38:25 today? A. No, sir. Q. Can you read the next two lines?	11 12 13 14 15 16 17 18 19 20 21 22 23	reference is here in these notes. Q. Do you ever I'm going to ask you to flip one page back to page 44 of your notes. A. Okay. 10:40:48 Q. At the top of the page you've written the word or the I think the date 4-21 and the word conference call or an abbreviation for it. Is that right? 10:41:01 A. Yes. Q. Do you believe today that these are notes of a 4-21-97 conference call
11 12 13 14 15 16 17 18 19 20 21 22	some other group of hospitals? A. I can't even tell you it meant a group of hospitals. It could have meant the entity. It could have meant the region Delaware Valley. Q. What does the next line of your notes say? A. "Does not believe there is any general reserves other than 50 million dollars." Q. Do you recall what that means 10:38:25 today? A. No, sir. Q. Can you read the next two lines? A. "Becomes part of PP&E slash	111 122 133 144 155 166 177 188 199 200 211 222 233 244	reference is here in these notes. Q. Do you ever I'm going to ask you to flip one page back to page 44 of your notes. A. Okay. Q. At the top of the page you've written the word or the I think the date 4-21 and the word conference call or an abbreviation for it. Is that right? 10:41:01 A. Yes. Q. Do you believe today that these are notes of a 4-21-97 conference call MR. RYAN: Objection.

	Page 656		Page 658
1	A. Yes, at least the top part. I	1	A. 109 is a FASB related to taxes, an
	don't know if the bottom part is written at	2	SFAS statement related to taxes. Net operating
	some other time or not. I don't know.	3	loss is a concept related to taxes.
4	Q. Let's look then at the top part.	4	 Q. Do you have any reason today to
	Read the note for me that follows the heading. 10:41:21	5	doubt that the page the rest of the notes on 10:43:47
6	A. 50 million dollar additional A D D	6	the page below the line that crosses it to
	T, apostrophe L, additional reserves.	7	which you referred earlier were taken on the
8	Q. Can you read the note on the	8	same day?
	left-hand margin that appears to either be	9	MR. RYAN: Objection.
	drawn to that first note or to a place above 10:41:36	10	A. I don't know when they were 10:44:03
	it?	11	written.
12	A. Write down 50 million dollars	12	Q. Do you know one way or the other
	paren, parenthesis, put half against A/R.	13	whether they were written on the same day as we
14	Q. Do you have any recollection today	14	sit here today?
15	what either one of those notes means? 10:41:49	15	A. No, I don't. 10:44:10
16	A. No, sir.	16	Q. Look at item one under summary of
17	Q. Can you read the rest of that note	17	conclusions. Can you read that for us?
18	regarding the 4-21-97 conference call for us	18	A. "Debits generated by purchase
	starting with the 40 million dollar reference?	19	accounting to PP&E over 30 years. Subbullet,
19	A. Sure. 40 million dollar 10:42:14	20	will occur at time to AHERF." 10:44:30
20	and the second s	21	Q. Do you know what that means today?
21	Q. Let me give you one caution on it. I apologize for interrupting. If you'd read it	22	Do you have any recollection?
22	a little more slowly than some of the other	23	A. I don't recall writing the note, so
23	reading we've been doing, the court reporter	24	I can't give you a specific recollection. It
24		25	seems to reference the concept of amortization 10:44:49
25	will be happier. 10:42:24		
	Page 657		Page 659
1	A. She'll be my friend?	1	of items recorded as part of purchase
2	Q. Perhaps.	2	accounting when they were recorded against
3	A. 40 million dollar debt at Mt. Sinai	3	PP&E.
4	to Graduate. Then there's a bullet. Mt. Sinai	4	Q. So the line "will occur at time to
5	to be sold for ten million dollars. Subbullet, 10:42:33	5	AHERF" means at the time transferred to AHERF 10:45:0
1 -	merge with AHERF, question mark. Prior or	6	ownership?
6	subsequent, question mark. New bullet. D E P	7	A. I don't know what it means.
7	R, depreciation. Recapture. Subbullet, view	8	MR. RYAN: Objection.
8	as NOL under 109. Then the number one GW,	9	A. I don't remember the meeting, so I
9	probably good will. The number two, other 10:42:58	10	don't know exactly what it is, but you asked me 10:45:11
10	intangibles. The number three, a down arrow.	11	to generally try to speculate what number one
11	Probably means decrease in expense.	12	and the state of t
12		13	
13		14	Q. I didn't ask you to generally
14	10.42.10	15	10.4F.10
15	Q. William Sandor 200 Mount of 7	16	
16		17	
17	just in this note or what?	18	and the second s
18	Q. As it relates to this note in	19	ALIEDE
19	particular. A I don't recall writing the note, 10:43:19	20	
20	/ Lacricians	21	
21	so, I mean, do you want me to speculate?	22	
22	Q. In your note-taking practices as an	23	
	aveler of Coopers V. Lybrand, door that dive	1 43	A. I don't know. I don't know what
23	auditor at Coopers & Lybrand, does that give		
	you any context to tell us what you think 109	24 25	that means.

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	Page 660		Page 662
1	left-hand corner, you have apparently written	1	Q. Then the word just beneath that, is
	the words in a box or a part of a box "view	2	that the word review?
3	consolidated basis as acquisition."	3	A. You mean on the left-hand margin?
4	Did I read that right?	4	Q. Yes.
5	A. Yes. 10:45:53	5	A. Revenues. 10:57:47
6	Q. Do you know what that means today?	6	Q. I'm sorry, revenues. Thank you.
7	A. I do not.	7	Then you have a bullet point. Can
8	Q. Do you have any recollection of	8	you read what that bullet point says?
9	what it meant when you wrote it down?	9	A. "50 million dollar additional
10	A. No, I don't. 10:45:58	10	reserve dash 25 million through March." Next 10:57:58
11	Q. I'm going to ask you to flip back a	11	line, "50 million through April."
12	couple pages to page 37 of the exhibit. Page	12	Q. Having had a chance to look at the
13	37 through 41, I think, if you take a moment to	13	notes very briefly at our break and then see
	review them, are another set of your	14	seeing now how they start off, do you recall
14	handwritten notes. If you could confirm that 10:46:33	15	these to be notes of any meeting or call? 10:58:12
15	for me and then that would be great and I will	16	A. I don't recall.
16	have a few questions on them.	17	Q. I believe that you have previously
17	MR. JONES: And this is a good spot	18	testified that you had a belief that these
18	to change the tape.	19	notes were of an internal update meeting with
19 20	THE VIDEOGRAPHER: Off the record 10:46:49	20	Mr. Kirstein, Buettner and Frazier. You don't 10:58:33
	at 10:47, end of the first videotape.	21	need to trust me on that, but now that I said
21	(Recess had.)	22	it, does that refresh your recollection, that
22	THE VIDEOGRAPHER: On the record at	23	that may be what these notes are?
23	10:56. Videotape number two, volume three.	24	A. Yes, I think my prior testimony was
24	40 56 33	25	I didn't recall what they came from, but 10:58:46
25	Q. Mr. Kirstein, I had a quick 10:56:22		•
			Page 663
1	follow-up question to the set of notes we were	1	looking at the nature of the content of the
2	just looking at, in particular, on page 44.	2	five pages, it appears to be from some sort of
3	A. Okay.	3	update meeting related to the audit.
4	Q. Which those notes are headed with	4	I don't sitting here today recall
5	the 4-21 conference call phrase. 10:56:35	5	if Bill Buettner and Amy Frazier was there, but 10:59:00
6	A. Okay.	6	I had to get the information from somebody to
7	Q. Do you know who was on this	7	write it down.
8	conference call as you sit here today?	8	Q. Do you believe it was a set a
9	A. No, I do not.	9	meeting, though, with Coopers & Lybrand
10	Q. Let's again refer you back again to 10:56:53	10	personnel as you sit here today? 10:59:09
11	page 37 through 41. These are notes in your	11	A. I believe so, yes.
12	hand?	12	Q. Do you recall can you recall
13	A. Yes.	13	whether any AHERF personnel were in attendance?
14	Q. They're dated 6-10, is that right?	14	
15	A. Correct. 10:57:19	15	recollection of June 10th, of the meeting. I 10:59:17
16	Q. Do you believe that to be 6-10-97?	16	just tried to help in prior testimony and
17	A. Yes.	17	again, for you, given the general nature what
18		18	
19		19	
	40 57 30	20	
/ / ! !	7,11	21	
20	O. III HE UDDEL HUHL-HAND COINCI:	1	by using the word thru in short form, T H R U?
21	•	22	by using the word thru in short form, if it k o:
21 22	A. Yes, sir.	22	
21 22 23	A. Yes, sir. Q. The heading on the first page of		A. No, I don't. Q. When you wrote that term in your
21 22	A. Yes, sir. Q. The heading on the first page of the note says "AHERF issue"?	23	A. No, I don't. Q. When you wrote that term in your

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	Page 664		Page 666
1	to you?	1	believe we got that until the year-end audit
2	MR. RYAN: Objection.	2	phase. So even in June, while I don't recall
3	A. No, I don't think no. Thru is	3	the meeting, there was no purchase accounting
4	not a generally accepted auditing term that I	4	detail that we had at this point in time.
5	know of and I don't recall having a meaning to 11:00:04	5	Q. Had you discussed any of the 11:02:28
6	that.	6	purchase accounting approaches that AHERF was
7	Q. The next line reads how?	7	taking or was planning to take with AHERF
8	A. I'm sorry?	8	personnel before August?
9	Q. How do you read the next line of	9	MR. RYAN: Objection.
10	text? 11:00:13	10	A. Are you referencing like purchase 11:02:44
11	A. You would like me to read it or	11	versus pooling?
12	Q. I would.	12	Q. I'm sorry?
13	A. "80 million dollar write-offs and	13	A. Are you referencing like how they
14	offset by 50 million dollar reserve," and then	14	would account for it, like purchase accounting
15	there's a subbullet, "need current versus prior 11:00:24	15	versus pooling? 11:02:52
16	year breakout."	16	Q. Yes.
17	Q. Do you recall today what you meant	17	A. I believe sometime early in
18	when you wrote that?	18	planning, maybe January, February, March time
19	A. No.	19	frame, there was discussions that I was part of
20	Q. In any of your work in reviewing 11:00:33	20	at certain points with management about how 11:03:01
21	documentation over the years, either in	21	would the acquisition for Graduate and
22	preparation for depositions or otherwise, have	22	potentially others, I think Forbes and AGH, be
23	you come to an understanding of what you meant?	23	accounted for by AHERF.
23 24	MR. RYAN: Objection.	24	Q. Do you recall any discussion of
25	A. No, I have not. 11:00:47	25	offsetting reserves established in connection 11:03:16
23	A. No, I have not		
			Page 667
1	Q. Do you recall any discussion of the	1	with the purchase of the Graduate enterprises
2	topic of using the 50 million dollar of	2	against any write-offs in those discussions?
3	reserves established in purchase accounting in	3	MR. RYAN: Objection.
4	connection with the Graduate acquisition to	4	A. No. As I said, I don't recall
5	offset the 80 million dollar charge-offs to 11:01:14	5	hearing that until August. 11:03:34
6	which we referred earlier at the Delaware	6	Q. As you sit here today, do you
7	Valley Obligated Group?	7	believe that offsetting 80 million dollars of
8	MR. RYAN: I'm sorry, can I get	8	write-offs at the Delaware Valley Obligated
9	that read back, please?	9	Group hospitals or charge-offs with 50 million
10	(Record read.) 11:01:22	10	
11	MR. RYAN: I'll object to the lack	11	with the Graduate acquisition would have been
12	of a time frame.	12	
13	Q. There is no time frame. At any	13	
14	time.	14	A. I think GAAP, at least when I think
15	A. Other than what we talked about a 11:01:50	15	back, GAAP was assessed at the financial 11:04:10
16	little earlier, learning of a potential, of the	16	CANEDE SE
17	transfer in early August, that's the only time	17	and the second s
18	I recall hearing of something, something to	18	
19	that effect.	19	So I guess it's possible that the
	Q. So you all right. 11:02:01	20	transaction that you just talked about, if it 11:04:24
1			
20	Q. 50 / 54 mm - 5 mm	121	
20 21	Nothing before that on this topic?	21	
20 21 22	Nothing before that on this topic? A. No. In fact, as I said earlier,	22	You would have to know the facts and
20 21 22 23	Nothing before that on this topic? A. No. In fact, as I said earlier, we, C&L, had been waiting, had told management	22 23	You would have to know the facts and circumstances to make that determination.
20 21 22	Nothing before that on this topic? A. No. In fact, as I said earlier,	22 23 24	You would have to know the facts and circumstances to make that determination. Q. It certainly could also be non GAAP

Turk	Kilstein		
	Page 720		Page 722
1	the Delaware Valley Obligated Group hospitals,	1	paper for me?
2	does that refresh your recollection about why	2	MR. RYAN: Objection.
3	you wrote where did it go?	3	A. It's likely that I have. I don't
4	A. No, sir.	4	recall specific instances, but that seems like
5	Q. Did you ever come to learn that 13:12:46	5	a reasonable interpretation. 13:14:35
	what I just described occurred?	6	Q. Do you ever recall receiving a
6	A. I believe subsequent in litigation	7	write-up or a memorandum or words on paper from
	preparing for depositions I've heard something	8	Mr. Buettner or anyone on the PFMA contract or
8	similar to what you just described, yes.	9	any reserve regarding the PFMA contract?
9	Q. When you heard it then, did it 13:13:00	10	A. Me receiving something? 13:14:54
10	refresh your recollection about why you wrote	11	Q. Yes, sir.
11	· ·	12	A. No.
12	where did it go?	13	Q. Do you see
13	A. No, sir.	14	Do you recall any discussions with
14	Q. As you sit here today, you don't		anybody on the AHERF engagement at Coopers & 13:15:13
15	know why you wrote the words where did it go? 13:13:11	15	Lybrand about the PFMA contract other than what
16	A. No, sir.	16	you've already shared with us, if anything?
17	Q. What's in the circle just above the	17	,
18	words PFMA contract?	18	MR. RYAN: Objection.
19	A. Need docs, D O C S.	19	A. No, sir.
20	Q. Need, N E E D? 13:13:22	20	Q. Do you recall any conversations 13:15:23
21	A. Correct.	21	with anybody at AHERF about the PFMA contract?
22	Q. What is in the box just to the left	22	A. No, sir.
23	of PFMA contract?	23	Q. Look down towards the bottom of the
24	A. WFB write-up.	24	page under item two, Greater Atlantic. Do you
25	Q. What does WFB mean? 13:13:32	25	see that? 13:15:53
L			
	Page 721		Page 723
1	Page 721 A. Bill Buettner.	1	A. Yes.
	A. Bill Buettner.	1 2	A. Yes.Q. Can you read the next few words for
2	A. Bill Buettner.Q. What does write-up mean to you	l .	A. Yes. Q. Can you read the next few words for me in that line?
2 3	A. Bill Buettner.Q. What does write-up mean to you today?	2	 A. Yes. Q. Can you read the next few words for me in that line? A. Greater Atlantic enters, the letter
2 3 4	A. Bill Buettner.Q. What does write-up mean to you today?A. I don't know. I don't remember	3	A. Yes. Q. Can you read the next few words for me in that line?
2 3 4 5	A. Bill Buettner. Q. What does write-up mean to you today? A. I don't know. I don't remember writing this. 13:13:41	2 3 4	A. Yes. Q. Can you read the next few words for me in that line? A. Greater Atlantic enters, the letter K, contract is my would that mean, with 13:16:01 Philadelphia Fire.
2 3 4 5 6	A. Bill Buettner. Q. What does write-up mean to you today? A. I don't know. I don't remember writing this. Q. When you wrote write-up in your	2 3 4 5	A. Yes. Q. Can you read the next few words for me in that line? A. Greater Atlantic enters, the letter K, contract is my would that mean, with 13:16:01 Philadelphia Fire.
2 3 4 5 6 7	A. Bill Buettner. Q. What does write-up mean to you today? A. I don't know. I don't remember writing this. Q. When you wrote write-up in your the words write-up with next to somebody's	2 3 4 5 6	A. Yes. Q. Can you read the next few words for me in that line? A. Greater Atlantic enters, the letter K, contract is my would that mean, with 13:16:01 Philadelphia Fire. Q. Looking down, the last subpoint with an arrow beneath that, you write, McNair,
2 3 4 5 6 7 8	A. Bill Buettner. Q. What does write-up mean to you today? A. I don't know. I don't remember writing this. Q. When you wrote write-up in your the words write-up with next to somebody's initials when you wrote the words write-up	2 3 4 5 6 7	A. Yes. Q. Can you read the next few words for me in that line? A. Greater Atlantic enters, the letter K, contract is my would that mean, with Philadelphia Fire. Q. Looking down, the last subpoint with an arrow beneath that, you write, McNair,
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2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21	A. Bill Buettner. Q. What does write-up mean to you today? A. I don't know. I don't remember writing this. Q. When you wrote write-up in your the words write-up with next to somebody's initials when you wrote the words write-up next to somebody's initials in your audit work in connection with fiscal year 1997 or other 13:13:54 years, what did that typically mean to you? MR. RYAN: Objection. A. I don't think it has a typical meaning. I don't know. Q. Does write-up I'm only asking, I 13:14:03 don't know the answer mean put together a memo, put together a written piece of some kind to you? A. Not necessarily. I don't know what this meant. It could be put together. It 13:14:17 could be someone has a memo to read. I don't	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21	A. Yes. Q. Can you read the next few words for me in that line? A. Greater Atlantic enters, the letter K, contract is my would that mean, with 13:16:01 Philadelphia Fire. Q. Looking down, the last subpoint with an arrow beneath that, you write, McNair, Beth Chang say something, I can't read the rest of it. Can you read that line for me? 13:16:19 A. McNair slash Beth Chang say liability is with GHS. That's underlined. Q. GHS was the health system that formerly owned the Graduate hospitals? A. I don't recall. Do you know who Mr. McNair or Miss Chang were? A. No idea who Beth Chang is. I think McNair was an attorney, an in-house attorney 13:16:46
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	Kirstein		
	Page 724		Page 726
	Page 724	1	liable subsequently for those losses?
1	A. No.	2	A. I don't know if I learned who
2	Q. At the top of the same page, you've	3	became liable. That sounds like a legal
	got a note in the upper right-hand corner or		determination. I think in preparing for
4	toward the upper right-hand corner that's	4	depositions I've seen some work papers that Amy 13:19:54
5	circled. Can you read that for us? 13:17:32	5	depositions 2 to been seemed to 1
6	A. Up here?	6	Frazier had done where I believe she made a
7	Q. Yes.	7	determination as to whether or not there should
8	A. "Not through income slash move to	8	be a reserve for PFMA, and I think she
9	DV reserves for A/R."	9	considered it in one of her analyses.
10	Q. Do you know what that means today? 13:17:41	10	Q. I'm going to ask you to look a 13:20:11
11	A. No, sir.	11	little bit further down in the document, page
12	Q. It says, "Move to DV reserves for	12	27 of Exhibit 4403, to the heading CRA Review,
13	A/R." Is that right?	13	A, Cushion slash Open Items.
14	A. Yes.	14	Do you recall any discussions of
15	Q. Does that mean the Delaware 13:17:55	15	cushions at this audit meeting? 13:20:28
	Valley does that mean the Delaware Valley	16	MR. RYAN: Objection to form.
16	Obligated Group hospitals and their reserves to	17	MR. JONES: What is that objection
17		18	based on?
18	you today? A. I don't know what it means. I	19	MR. RYAN: I think we previously
19	A. I don't know what it means. I mean, I don't remember the meaning. I don't 13:18:05	20	established that is a term that has multiple 13:20:35
20	know what I was thinking when I wrote the note,	21	meanings, so I'm not sure what meaning you were
21	Know what I was thinking when I wrote the hote,	22	using the word cushion.
22	sitting here today, so I don't know what that	23	MR. JONES: I don't know that I
23	interpretation would be.	24	attached a particular meaning.
24	Q. Did you ever see a legal memorandum	25	Q. Do you recall discussions that 13:20:44
25	from Miss Chang on the topic of the PFMA 13:18:16	23	Q. Do you recan discussions and
 		—	
1	- 725	l	Page 727
	Page 725	,	Page 727
1	contract or any losses or reserves in	1	included the word cushions?
1 2	contract or any losses or reserves in connection with it?	2	included the word cushions? A. No, sir.
i i	contract or any losses or reserves in connection with it? A. I don't recall seeing one.	2	included the word cushions? A. No, sir. Q. Do you see that there are amounts
2	contract or any losses or reserves in connection with it? A. I don't recall seeing one. Q. Did you ever ask for one, a legal	2 3 4	included the word cushions? A. No, sir. Q. Do you see that there are amounts written in your handwriting that have a line
2 3	contract or any losses or reserves in connection with it? A. I don't recall seeing one. Q. Did you ever ask for one, a legal opinion, or a legal memorandum? 13:18:31	2 3 4 5	included the word cushions? A. No, sir. Q. Do you see that there are amounts written in your handwriting that have a line drawn back to the word cushions? 13:21:00
2 3 4	contract or any losses or reserves in connection with it? A. I don't recall seeing one. Q. Did you ever ask for one, a legal opinion, or a legal memorandum? A. I don't believe I did, no.	2 3 4 5 6	included the word cushions? A. No, sir. Q. Do you see that there are amounts written in your handwriting that have a line drawn back to the word cushions? A. Yes.
2 3 4 5	contract or any losses or reserves in connection with it? A. I don't recall seeing one. Q. Did you ever ask for one, a legal opinion, or a legal memorandum? A. I don't believe I did, no. Q. Do you recall any discussions about	2 3 4 5 6 7	included the word cushions? A. No, sir. Q. Do you see that there are amounts written in your handwriting that have a line drawn back to the word cushions? A. Yes. Q. Those amounts say AGH 2 million
2 3 4 5 6	contract or any losses or reserves in connection with it? A. I don't recall seeing one. Q. Did you ever ask for one, a legal opinion, or a legal memorandum? A. I don't believe I did, no.	2 3 4 5 6 7 8	included the word cushions? A. No, sir. Q. Do you see that there are amounts written in your handwriting that have a line drawn back to the word cushions? A. Yes. Q. Those amounts say AGH 2 million dollars, is that right?
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DEPOSITION ERRATA SHEET

RE: THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS OF ALLEGHENY HEALTH, EDUCATION AND RESEARCH FOUNDATION v. PRICEWATERHOUSE COOPERS, LLP

I, Mark Douglas Kirstein, make the following corrections, additions, or deletions to the transcript of my deposition, taken on May 11-13, 2004, for the following reasons. By my signature below, I authorize you to attach this errata sheet to the transcript.

Page: Line	Change	Reason	
11:9	"ACP" should be "HCP"	Епог	
33:8	Answer should end at "Kocak", A new question begins with "thank you" and ends at "bad debt"	Enor	
36:15	"grade" should be "rate"	Error	
80:5	"I do not, no" should be "I do not know".	Error	
95:15	"when" should be "went"	Error	
101:15	"what it says" should be "Is that what it says?"	Clarification	
103:17	"reserve that" should be "reserve. That"	Error	
145:5	"fluct" should be "flux"	Error	
149:4	"There's" should be "That's"	Error	
152:24	"that" should be "a"	Clarification	
155:5	"it's an audit" should be "I saw it"	Епог	
163:23	"of an" should be "of"	Error	
196:10	"Cancelmi" should be "McConnell or"	Connell or" Error	
205:11	"Marie" should be "Murray"	Error	
212:7	"WL" should be "WO" Error		
217:25, 219:12, 224:9, 302:20, 303:3, 303:14	"Calosheski" should be "Kaliszewski" Error		
224:16	"Collections. He" should be "collections, and even"	Еггог	
224:17	"referred them" should be "further"	Ептог	
239:5	"inpatients instead" should be "inpatients. Instead" Error		
239:6	"aging. Day" should be "aging day" Error		
239:8	"billed. Where" should be "billed Where" Error		
250:23	"Christa" should be "Kristen"	Error	
291:7	"17. I" should be "17 I"	"17 I" Error	

Puge: Line	Reason		
32:17	"about, what FAS or FAS" should be "about in what FAS or SAS"	Error	
335:6	"Envision" should be "Invision"	Error	
357:6	"same" s/b "self"	Error	
380:13	"D&FB" should be "DNFB"	Error	
385:20	"to control" should be "of controls"	Error	
395:7	"Elkins box St. Chris" should be "Elkins, Bucks, St. Chris"	Error	
397:18	"that" should be "that"	Error	
401:13	"contractual is a bad debt, yes" should be "contractuals, a bad debtyes"	actuals, Error	
403:5	"number" should be "level"	Error	
437:19	"entries" should be "interest"	Error	
452:10	"Elsworth" should be "Ellsworth"	Error	
460:10	"BP&E" should be "PP&E"	Егтог	
461:10	"CR" should be "CRA"	Ептог	
465:21	"I do not, no." should be "I do not know"	Error	
472:2	"I do not, no." should be "I do not know"	Ептог	
481:7	"can" should be "can't"	Error	
507:9	"us" should be "this"	Error	
523:1	"Lyden" should be "Lydon"	Error	
527:11	"throw" should be "flow through"	Еггог	
533:7	"Might" should be "Might've"	Ептог	
543:12	"line" should be "of"	Error	
543:13	"adjusted" should be "unadjusted"	Error	
544:8	"No" should be "No. I don't recall that"	Clarification	
572:7	"Jenker Bittel" should be "Drinker Biddle"	Error	
583:10	"Chris" should be "Kristen"	Error	
587:19	Remove "that Mr."	Error	
623:4	"A." should be "Q."	Error	
625:12	"and assets" should be "of net assets"	Error	
626:19	"answer you" should be "give you"	Error	
629:3	"does not" should be "is not"	Error	

	Chance	Reason
Puge: Line	Change	Error
645:3	"plan" should be "part"	Error
662:11	"50" should be "25"	Error
664:13	Insert quotation mark after "offs"	
664:14	Insert quotation mark before "offset"	Error
666;22	"AGH" should be "AVH"	Error
	"you" should be "you've"	Error .
688:4	"document" should be "audit"	Error
692:4		Error
716:10	Remove "time of the"	Error
731:9, 738:17	"Mary Bess" should be "Maribess"	
741:13	"imbedding" should be "embedding"	Error
789:25	"PricewaterhouseCoopers" should be "Pricewaterhouse"	Error
	"from Carl Wease" should be "phone call once"	Error
795:6	"Casperbauer" should be "Kasperbauer"	Error
806:3	"Casperbauer should be reasperber and	Error
822:3	"Wackly and Marty Bennett" should be "Wockley and Marne Betta"	

I have read the transcript of my deposition taken May 11-13, 2004 and swear that, with the above changes, the transcript is true and correct.

Mark D. Kirstein

Date

Sworn to before me This 246 day of July, 2004

Notary Public

OFFICIAL SEAL
M DOLONES MOYADO
MOTINEY PUBLIC -STREET OF ALLINCES
MY COMMISSION EXPRES: 08-33-07

Kite Dep.

In The Matter Of:

AHERF v. PRICEWATERHOUSECOOPERS LLP,

STEVEN B. KITE February 25, 2005

LEGALINK MANHATTAN

420 Lexington Avenue - Suite 2108

New York, NY 10170

PH: 212-557-7400 / FAX: 212-692-9171

KITE, STEVEN B. - Vol. 1



STEVEN B. KITE

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1 he's required to?

- A. I really hadn't thought about that. I mean, we have to think to the point simply if there is a breach, there are remedies for creditors to take.
- Q. Okay. And I'm just trying to -- I'm just trying to --
- A. Yeah, and what they might do I think is something I -- you know, we can't speculate on it. I mean, typically it involves getting a consultant and implementing the recommendations of a consultant to enhance revenues, cut expenses or sell off non-productive assets.
- Q. Now, you've referred to a provision requiring call-in of a consultant. And that would, for example, be in Section 6.3 of this Master Trust Indenture?
 - A. Correct.
- 18 Q. Let's talk a little bit about Section 6.3.
- 19 It's on pages 37 to 38; is that right?
- 20 A. Right.
- 21 Q. And this is a section entitled "Rates and
- 22 Charges;" is that right?
- 23 A. Mm-hmm.
 - O. Have you heard this referred to sometimes

Page 116 able to make all those payments, that they will change their rates, right?

- A. Correct.
- Q. And that's why this is called a rate covenant, right?
 - A. Probably. That's part of it.
- Q. All right. Then the third sentence of Section 6.3 states, "The Members of the Obligated Group covenant and agree that they will cause the officer certifying the report referred to in Section 6.6(b) hereof to calculate the Historical Debt Service Coverage Ratio for the Fiscal Year covered by such report and to deliver a copy of such calculation to the Master Trustee," right?
 - A. Right.
- Q. So, that's saying every year the obligated group will calculate this ratio and an officer of the company will deliver that to the Master Trustee?
 - A. Right.
- Q. And in fact DVOG did that for 1996 and 1997, right?
 - A. I don't think I ever saw a certificate.
 - Q. Okay. You didn't ever review the certificates that were provided by officers of DVOG?

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- as a rate covenant?
 - A. Correct.
- Q. And do you agree that Section 6.3 then contains a covenant that the obligated group will operate all of its facilities on a revenue-producing basis and will charge such fees and rates for its facilities and services and will exercise such skill and diligence as to provide income from its property together with other available funds sufficient to pay promptly all payments of principal and interest on its indebtedness, all expenses of operation, maintenance and repair of its facility and all other payments required to be made by it hereunder to the extent permitted by law"?
- A. Yes, Section 6.3 contains several covenants, and that is one of them.
- Q. All right. So, this is in effect a covenant to manage your business and to charge rates in such a way that you'll be able to make the payments you have to make?
 - A. Correct.
- Q. All right. So, the second sentence contains a related covenant which says if the obligated group has to change its rates in order to be

A. I don't believe I ever saw that.

- Q. Okay. But at a minimum you don't have any basis to say that DVOG didn't do what's stated there in the third sentence of Section 6.3, right?
 - A. Just don't know one way or the other.
- Q. Okay. Do you agree that DVOG in fact operated its business and charged rates in such a way that it was able to make the payments it needed to in 1996 and 1997?
- A. I don't have any basis to know that one way or the other.
- Q. All right. Now, all three of the sentences that we've reviewed so far contain the words "covenant" and "agree," right?
 - A. Okay. Yes.
- Q. Now, the next sentence, which now talks about historical debt service coverage ratio of 1.10, that sentence does not contain the words "covenant" or "agree," does it?
 - A. That's correct.
- Q. All right. Now, this is the sentence which provides that if the historical debt service coverage ratio is less than 1.1 to 1, then the obligated group has to retain a consultant, right?

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that position?

Page 120 Page 118 A. I -- somebody disagreed with it I remember 1 1 A. Yes. from reading something. I don't recall whether it was 2 2 Now, "consultant" is another one of our 3 a trustee or one of the banks in the credit group, but 3 defined terms; is that right? I remember reading something about somebody saying 4 4 Α. Right. AHERF shouldn't have been the consultant. But I don't 5 In fact, it's defined on page 4 of the 5 Q. remember who it was and I don't remember what the 6 6 agreement. 7 trustee's position was. 7 A. Okay. I'm with you. 8 Do you agree that the trustee for the 8 Now, do you agree with me that under the 9 Centennial bonds never declared an event of default as DVOG Master Trust Indenture the obligated group can 9 a result of Centennial's retention of AHERF as a choose who the consultant will be if a consultant has 10 10 11 consultant? to be called in through Section 6.3? 11 A. I'm not aware of an event of default. 12 Yes. 12 A. Q. All right. Now, if you could return, 13 That is, the bond insurer or the letter of 13 Q. please, to Section 6.3, -credit bank doesn't have an ability to veto the 14 14 15 Okay. 15 selection of consultant, right? Q. -- the next sentence, we're now on the 16 16 A. Correct. fourth paragraph of this section, the next sentence Do you agree with me that there is no 17 17 requirement that the consultant must be independent of provides that a copy of the consultant's report and 18 18 recommendations has to be filed with various people, 19 19 the obligated group? 20 right? 20 Correct. A. Have you seen bond documents where the 21 Α. Right. 21 Then the next sentence states, "The definition of consultant in fact did include such a 22 22 Q. obligated group shall follow the recommendation of the 23 23 requirement? 24 consultant to the extent feasible," right? A. Yes. 24 Page 121 Page 119 Right. Q. And that was not included in the DVOG 1 A. 1 Q. Then the next sentence is the one that I 2 2 Master Trust Indenture, right? 3 believe you focus on in your report, right, that 3 A. Correct. 4 contains a proviso relating to a hundred percent, Q. So that, to provide an example, the DVOG 4 could have retained AHERF as a consultant in the 5 right? 5 manner that in 1977 the Centennial Obligated Group 6 Correct. 6 Α. 7 MR. COGAN: Objection. 7 retained AHERF as a consultant under the analogous provision of its Master Trust Indenture, right? 8 BY MR. RYAN: 8 Q. Now, this sentence states in part, "No 9 9 Subject to the caveat that the consultant event of default shall be deemed to have occurred has to have a favorable reputation for skill and 10 10 hereunder," right? 11 experience in performing similar services. 11 And I noticed that in how they were dealing 12 A. Right. 12 And you agree with me that "hereunder" with Centennial it struck me that it would be hard to 13 13 say that AHERF meets that definition. But if AHERF means under this Master Trust Indenture? 14 14 15 Yes. did meet that definition, yes, they could have been A. 15 It does not mean under this section? Q. 16 16 appointed. 17 Q. All right. And you are aware, are you not, Α. 17 Now, you see, then, in the next sentence that in 1997 AHERF and Centennial took a position that 18 18 that reads, "The foregoing provisions notwithstanding, AHERF in fact did meet the definition of a consultant? 19 19 if in any fiscal year the historical debt service A. I believe -- I believe so, they took that 20 20 coverage ratio is less than 1.10, the Master Trustee 21 21 position. shall not be obligated to require the members of the Q. And are you aware of the fact that the 22 22 obligated group to retain a consultant to make such trustee for the Centennial bonds never disagreed with 23 23

recommendations" if two certain instances obtain,

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ERRATA SHEET FOR STEVEN B. KITE

Page/Line	Should Read	Reason for Change	
6/14	Change "Yeah" to "Yes"	Grammar	
8/5	Change "enjoyed work" to "enjoyed working"	Grammar	
8/15	delete "in"	Grammar	
9/10	Change "their" to "its"	Grammar	
9/11	Change "their" to "its"	Grammar	
9/12-17	Change to read "and bond counsel's client is typically viewed for legal conflict of interest purposes as the borrower or the issuer."	Clarity	
11/18	Change "party" to "entity"	Clarity	
12/11	Change "yeah" to "yes"	Grammar	
12/19	Change "represent" to "represents"	Grammar	
12/23	Change "a couple of" to "two"	Grammar	
16/24 - 17/1	Delete "I said" insert "company" at end of sentence"	Clarity	
17/14-16	Revise sentence to read "I've represented them in the past, but not recently or currently."	Clarity	
18/24	Change "Non-profit" to "Health Care"	Accuracy	
29/12	Change "Yeah" to "Yes"	Grammar	
29/16	Insert "for" before "selling"	Clarity	
30/18	Change "you know" to "I would"	Clarity	
37/1	Change "were" to "was"	Grammar	
46/24	Change "relate d" to "related"	Туро	
47/4	Change "graduate" to "Graduate"	Туро	
51/23	Change "exemptions" to "exceptions"	Clarity	
55/13	Change "ben" to "been"	Туро	
57/20	Insert "up" after "picked"	Clarity	
59/2	Change "yeah" to "Yes"	Grammar	
63/7	Change "Yeah" to "Yes"	Grammar	
64/17	Change "contain" to "contains"	Grammar	
65/1-2	Change "has typically been" to "is typically"	Grammar	
65/12	Insert "a" before "separate"	Grammar	
70/4	Change "then kind of" to "that"	Clarity/Grammar	
74/9	Change "Yeah" to "Yes"	Grammar	
81/21	Change "we" to "they" and "our" to "their"	Grammar	
84/18	Change "but" to "by"	Туро	
86/3	Change "cuz" to "because"	Grammar	
101/6	Change "as" to "is"	Туро	
103/23	Change "restate d" to "restated"	Туро	
110/10	Change "required" to "allowed"	Clarity	
114/3	Change "think" to "get"	Clarity	
114/7	Change "Yeah" to "Yes"	Grammar	
124/14	Change "weeding" to "reading"	Туро	
125/6	Change "Yeah" to "Yes"	Grammar	
136/15	Insert "paper" after "commercial"	Clarity	
136/20	Delete apostrophe in "agreement's"	Grammar	

Page/Line	Should Read	Reason for Change	
151/18	Change "Yeah" to "Yes"	Grammar	
152/1	Change "Yeah" to "Yes"	Grammar	
157/5	Change "the" to "by"	Clarity	
160/17	Change "what" to "was"	Clarity	
162/22	Change "Yeah" to "Yes"	Grammar	
166/10	Change "Yeah" to "Yes"	Grammar	
167/3	Change "cuz" to "because"	Grammar	
169/2	Change "Yeah" to "Yes"	Grammar	
169/7	Change "Yeah" to "Yes"	Grammar	
170/3	Change "Yeah" to "Yes"	Grammar	
171/6	Insert "disclosure part" after "market" Change "till" to "until"	Clarity	
174/17	Change "'em" to "them"	Grammar	
180/2	Change "gonna" to "going to"	Grammar	
189/21	Change "Yeah" to "Yes"	Grammar	
192/2	Change "Yeah" to "Yes" in both places	Grammar	
216/21	Change "in in" to "into"	Clarity	
217/4	Change "out" to "over"	Clarity	
219/2	Change "gonna" to "going to"	Grammar	
219/4	Change "familiar" to "I remember"	Clarity	
220/13	Change "gonna" to "going to"	Grammar	
221/7	Change "Yeah" to "Yes"	Grammar	
227/4-5	Change "cuz" to "because"	Grammar	
228/15	Change "their" to "the"	Clarity	
$\frac{226/13}{232/12}$	Change "in" to "an"	Туро	
234/2	Change "kind of " to "tied to"	Clarity	
	Change "gonna" to "going to"	Grammar	
234/17	Change "creditor's" to "creditors"	Туро	
238/15	Change "the" to "a"	Clarity	
238/17	Change "covenant" to "consultant"	Clarity	
244/12	Change "change" to "charge"	Туро	
245/1	Change "gonna" to "going to"	Grammar	
254/10	Change "waiving" to "waiting"	Туро	
254/23	Change "gonna" to "going to"	Grammar	
255/5	Change "change" to "charge"	Туро	
260/9	Change "cuz" to "because"	Grammar	
267/4	Change "Vesh" to "Ves"	Grammar	
267/9	Change "Yeah" to "Yes"	Checked Our Records	
267/18	Change "490" to "495" Change "either 400 or 420" to "410"	Checked Our Records	
268/15	Change etitler 400 of 420 to 410	Checked Our Records	
001/10	Change "490" to "495"	Typo	
221/10	Change "least" to "last"	Checked Our Records	
269/20	Change "nineties" to "eighties"	Checked Our Records	
270/2	Change "95" to "85"	Checked Out Records	

Knittel Dep.

In The Matter Of:

AHERF v. PRICEWATERHOUSECOOPERS, L.L.P.

MARCELLA KNITTEL July 23, 2003

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KNITTEL, MARCELLA



MARCELLA KNITTEL

	Page 58		Page 60
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23	words or something, I might make some suggestions or give the credit analyst more information, but ultimately the credit analyst was responsible for what they put into the write-up. Q. Okay. But you would have had an understanding of what it was based on your discussions with them A. Yes. Q of what they were writing up? A. Yes. Q. Would you have approved of would you have to approve what they wrote up? A. Yes. Q. Do you recall any instances where they wrote something into their write-up that you didn't agree with and then in turn submitted it to the senior credit committee? A. Yes. Q. I mean A. I mean that was common to have differing views on how a certain piece of information might be evaluated. Typically, typically we came to a	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 23	whether it's correct or incorrect, it's how you would potentially interpret information or how you would view, for instance, a change in the financial statements, is this how good or how bad is this. It's a matter of degree typically, not a no, this is right or this is wrong. It typically wasn't that black or white. Q. So as to some of the attachments that were attached to your report, you might have disagreed with from time to time how information was interpreted or presented? A. That's fair. Q. Do you recall any times where you actually thought that the data that was submitted was incorrect? A. No. Q. Before we take a break, the actual report that had these attachments on it, was that authored by you in most instances? A. The credit the credit the front part of the credit offering memorandum was authored by me.
24 25	common understanding before the before it went to senior credit committee, but there	24 25	MR. TERUYA: Okay. Why don't we take a break.
	Page 59	1	Page 61 MS. HACKETT: Okay. Thank you.
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15	there were places where we tended to disagree. Q. Would you have indicated that disagreement in any way in the packages of information that were submitted to the senior credit committee? A. More more in dialogue, in a question and answer dialogue. If points were brought up that I didn't agree with, I might say so in the dialogue. Q. Were the disagreements that you recall about how information was presented to the senior credit committee limited to how information was presented? Or let me rephrase that. You mentioned you had some disagreements from time to time with the credit analysts as to information that went to the	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15	THE VIDEOGRAPHER: We are now going off the record. The time is 10:04 a.m. (There was a recess in the proceedings.) THE VIDEOGRAPHER: We are now going back on the record. The time is now 10:17 a.m. MR. TERUYA: I'm going to mark as Exhibit 1701 a document that appears to be a credit agreement by and among Allegheny United Hospitals, St. Christopher's Hospital For Children, Horizon Medical Corporation, and PNC Bank, National Association, dated January 6th, 1994, that has Bates Nos. PNC 38124 through
16 17 18 19 20 21 22 23 24 25	senior credit committee, and was that limited to how information was presented or do you actually recall some instances where you actually thought information that was presented to the committee was incorrect? A. It's I would say the best way to characterize this in terms it's not always just information that's going to the senior credit committee that we would either disagree or agree on, and it's not really so much	16 17 18 19 20 21 22 23 24 25	(Exhibit 1701 marked for identification.) BY MR. TERUYA: Q. I'll just ask you to take a look at the document, and I was going to ask you if you recognize it? (The witness reviewed the Exhibit.)